

Proposed FISCAL YEAR Budget 2022



VOLUME 1
General Fund Expenditures

MAYOR TODD GLORIA

The City of
SAN DIEGO

General Fund Expenditures



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General Fund Expenditures

General Fund Expenditures

The Fiscal Year 2022 Proposed Budget for General Fund expenditures is \$1.7 billion, which represents an increase of \$107.8 million or 6.6 percent from the Fiscal Year 2021 Adopted Budget. **Table 1** represents the expenditure change in the General Fund from Fiscal Year 2020 to Fiscal Year 2022.

Table 1: General Fund Expenditure Summary Fiscal Years 2020 - 2022

	FY 2020 Actual	FY 2021 Adopted Budget	FY 2022 Proposed Budget
Total General Fund Budget	1,574,983,937	1,620,936,801	1,728,726,612
Percent Change from Previous Year		2.9 %	6.6 %

Table 2: Fiscal Year 2022 General Fund Expenditures (in millions)

Expenditure Category	FY2020 Actual	FY2021 Budget	FY2022 Proposed	FY2021-2022 Change	Percent Change
PERSONNEL					
Personnel Cost	\$ 647.1	\$ 647.9	\$ 677.0	\$ 29.1	4.5%
Fringe Benefits	478.4	491.9	530.3	38.4	7.8%
PERSONNEL SUBTOTAL	1,125.5	1,139.8	1,207.3	67.5	5.9%
NON-PERSONNEL					
Supplies	\$ 27.3	\$ 30.3	\$ 32.4	\$ 2.0	6.7%
Contracts	243.6	281.4	269.0	(12.4)	(4.4%)
Information Technology	37.0	47.2	57.1	9.9	21.1%
Energy and Utilities	48.5	51.5	50.5	(0.9)	(1.8%)
Other	4.5	4.9	5.2	0.3	5.7%
Transfers Out	67.9	42.6	88.3	45.7	107.4%
Capital Expenditures	0.8	1.5	1.7	0.2	15.4%
Debt	20.0	21.8	17.2	(4.6)	(21.1%)
NON-PERSONNEL SUBTOTAL	449.5	481.1	521.4	40.3	8.4%
Total	\$ 1,575.0	\$ 1,620.9	\$ 1,728.7	\$ 107.8	6.6%

Personnel Cost

The General Fund Fiscal Year 2022 Proposed Budget includes a total of \$677.0 million for salaries and wages, which reflects a net increase of \$29.1 million or 4.5 percent from the Fiscal Year 2021 Adopted Budget. This increase is primarily due to the following:

- \$22.1 million estimate of anticipated increases in employee compensation. The actual increase in compensation is subject to the negotiation process which is still ongoing, and the City expects to enter into agreements with each of the Recognized Employee Organizations (REOs) to begin the process of aligning employee salaries with the current employment market. The result of these negotiations is anticipated to be reflected in the Fiscal Year 2022 Adopted Budget;
- \$5.4 million decrease in budgeted personnel expenditure savings. Please refer to the Citywide

General Fund Expenditures

Budget Overview section of this volume for additional information on budgeted personnel expenditure savings;

- \$5.2 million increase in the Police Department for Neighborhood Policing Division overtime that was funded in the Seized Assets Fund on a one-time basis in Fiscal Year 2021;
- \$2.0 million increase in the Stormwater Department primarily associated with the citywide pipe repair crew and bacteria sources identification and abatement in areas of San Diego watersheds;
- \$1.3 million increase in the Fire-Rescue Department primarily associated with overtime expenditures to support COVID-19 and the Advanced Lifeguard Academy; and
- \$931,483 increase in the Environmental Services Department primarily associated with support for the implementation and expansion of organics collection and the weekly residential refuse collection program to comply with SB 1383.

These increases are offset with a decrease of: \$5.4 million in overtime in the Police Department associated with a decrease in special events, extension of shift, neighborhood policing, and Clean SD; and \$4.3 million decrease in the Library Department primarily associated with changing hours of operations at Libraries citywide to Tuesday through Saturday.

The General Fund Fiscal Year 2022 Proposed Budget includes a total of 7,650.89 FTE positions, which reflects a net increase of 10.87 FTE positions or 0.1 percent from the Fiscal Year 2021 Adopted Budget. While overall FTE positions are increasing, there are some departments and programs decreasing positions.

The Fiscal Year 2022 Proposed Budget includes the addition of 107.33 FTE positions. The increase in positions is primarily due to the additions in the following departments:

- Stormwater Department for the administration and enforcement of water quality regulations and citywide pipe repairs;
- Environmental Services to support the implementation and expansion of organics collection and Clean SD program; and
- Parks & Recreation Department to support the maintenance and operations of new park facilities.

Offsetting the additional positions is a reduction of 102.02 FTE positions. The decrease is primarily related to reduction of hourly positions due to reorganization of operations at Libraries citywide to Tuesday through Saturday.

Table 3 shows the change in the number of budgeted positions in the General Fund over the last three.

Table 3: General Fund FTE Position Summary Fiscal Years 2020 – 2022

	FY 2020 Actual	FY 2021 Adopted Budget	FY 2022 Proposed Budget
Total General Fund Budget FTE Positions	7,727.86	7,640.02	7,650.89
Percent Change from Previous Year		-1.1 %	0.1 %

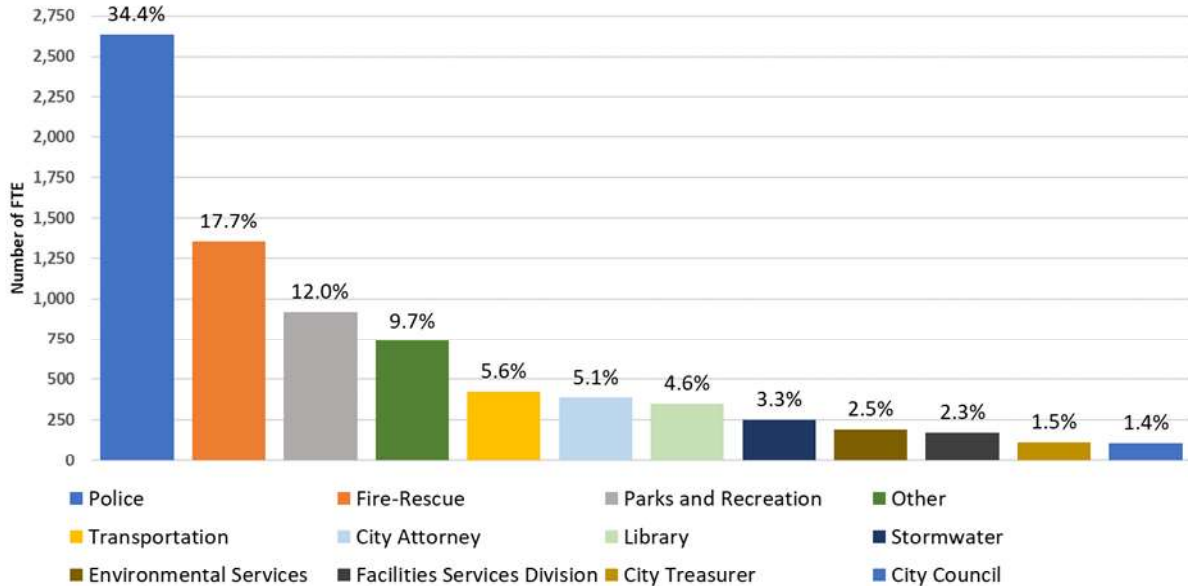
Further details on position changes in the General Fund are reflected in Attachment A - Fiscal Year 2022 Changes in Full-time Equivalent (FTE) Positions in the Appendix A.

Figure 1 summarizes the Fiscal Year 2022 Proposed General Fund FTE positions by department. Only the City Council and the top ten departments with the most FTE budgeted positions are displayed. All other

General Fund Expenditures

General Fund departments are combined under the Other Category. Details on the budgeted FTE positions in the General Fund are included in the Financial Summary and Schedules section of this Volume.

Figure 1: Fiscal Year 2022 Proposed General Fund FTE Positions by Department



Note: The Other category includes: City Auditor, City Clerk, Commission on Police Practices, Communications, Compliance, Debt Management, Department of Finance, Development Services, Economic Development, Ethics Commission, Government Affairs, Homelessness Strategies, Human Resources, Mobility, Office of Boards & Commissions, Office of Homeland Security, Office of Race & Equity, Office of the Chief Operating Officer, Office of the IBA, Office of the Mayor, Performance & Analytics, Personnel, Planning, Purchasing & Contracting, Real Estate Assets, and Sustainability.

As displayed in **Figure 1** above, the Police Department and the Fire-Rescue Department account for approximately 52.1 percent of the total budgeted positions in the General Fund for Fiscal Year 2022.

Fringe Benefits

The General Fund Fiscal Year 2022 Proposed Budget includes fringe benefit expenditures totaling \$530.3 million, which reflects a net increase of \$38.4 million or 7.8 percent from the Fiscal Year 2021 Adopted Budget. This net increase is primarily due to adjustments in the following fringe benefits:

- \$36.8 million increase in the City's pension payment due to net asset and liability experience losses. The liability experience loss is driven largely by changes in demographic assumptions and salary increases higher than those assumed;
- \$0.7 million and \$0.4 million increase in Workers' Compensation and Long-Term Disability, respectively, due to the fact that the City used fund balance for rate relief in Fiscal Year 2021; and
- \$0.8 million increase in Supplemental Pension Savings Plan driven by an increase in post-Proposition B employees.

For a detailed discussion on fringe benefits, refer to the Citywide Budget Overview section of this Volume.

Table 4 shows the change in fringe benefits in the General Fund from the Fiscal Year 2022 Proposed Budget by fringe type.

General Fund Expenditures

Table 4: Fiscal Year 2022 General Fund Fringe Benefits by Fringe Type

Fringe Type	FY 2020 Actual	FY 2021 Adopted Budget	FY 2022 Proposed Budget	FY 2021 – FY 2022 Change	Percent Change
Fixed					
Long-Term Disability	\$ 1	\$ 1,854,563	\$ 2,256,062	\$ 401,499	21.6%
Other Post-Employment Benefits	44,217,303	42,982,514	42,808,231	(174,283)	(0.4%)
Retirement ADC	269,019,435	277,709,202	314,536,608	36,827,406	13.3%
Risk Management Administration	8,533,775	7,233,181	7,414,770	181,589	2.5%
Unemployment Insurance	838,718	822,843	818,408	(4,435)	(0.5%)
Workers' Compensation	28,054,474	29,324,584	30,039,995	715,411	2.4%
Fixed Subtotal	350,663,705	359,926,887	397,874,074	37,947,187	10.5%
Variable					
Employee Offset Savings	\$ 6,516,088	\$ 5,960,045	\$ 5,466,233	\$ (493,812)	(8.3%)
Flexible Benefits	83,701,599	90,316,671	90,106,194	(210,477)	(0.2%)
Medicare	9,619,874	9,094,656	9,245,760	151,104	1.7%
Retiree Medical Trust	938,577	943,898	972,164	28,266	3.0%
Retirement 401 Plan	222,251	214,132	206,811	(7,321)	(3.4%)
Retirement DROP	1,581,173	1,606,914	1,781,393	174,479	10.9%
Supplemental Pension Savings Plan	23,275,808	23,809,360	24,640,224	830,864	3.5%
Variable Subtotal	125,855,370	131,945,676	132,418,779	473,103	0.4%
Fringe Benefits	\$ 476,519,075	\$ 491,872,563	\$ 530,292,853	\$ 38,420,290	7.8%

¹ Based on actuarial valuation prepared for SDCERS by Cheiron as of June 30, 2020

For a detailed discussion on fringe benefits, refer to the Citywide Budget Overview section of this Volume.

Supplies

The Supplies category includes costs for office supplies, books, tools, uniforms, safety supplies, and building and electrical materials, among others. The Supplies category for the Fiscal Year 2022 Proposed Budget totals \$32.4 million, an increase of \$2.2 million or 6.7 percent from the Fiscal Year 2021 Adopted Budget. The increase is associated with the following:

- \$883,192 in the Fire-Rescue Department for the replacement of structural personal protective equipment and supplies for two additional Fire Academies;
- \$750,000 in the Library Department primarily to support the one-time purchase of electronic materials such as e-books and e-audio books for the Library, due to the increased demand of electronic resources during the COVID-19 pandemic; and
- \$494,354 in the Environmental Services Department primarily associated with the one-time purchase of small kitchen pails for food waste related to the implementation and expansion of organics collection.

General Fund Expenditures

Contracts

The Contracts category includes the cost of legal fees, insurance, refuse disposal fees, fleet vehicle usage and assignment fees, rent expenses, consulting services and other contractual expenses. The Contracts category for the Fiscal Year 2022 Proposed Budget totals \$269.0 million, a decrease of \$12.4 million or 4.4 percent from the Fiscal Year 2021 Adopted Budget. This decrease is primarily due to the following adjustments:

- \$31.8 million in the Homelessness Strategies Department primarily related to a one-time increase in Fiscal Year 2021 for the Operation Shelter to Home supported by CARES Act funds; and
- \$8.7 million in the Economic Development Department primarily related to a one-time increase in Fiscal Year 2021 for the Small Business Relief Fund (SBRF) supported by CARES Act Funds.

This amount is offset by the following increases:

- \$10.0 million in the Homelessness Strategies Department associated to one-time support for Homelessness Services and Programs focused on crisis intervention and housing and shelter opportunities;
- \$6.3 million increase in various departments associated with fleet replacement costs due to the one-time use of fund balance for rate relief in Fiscal Year 2021; and
- \$3.9 million in the Stormwater Department primarily to continue the development of the stormwater funding strategy, bacteria assessment study, support the San Diego River Investigative Order, and channel maintenance.

Information Technology

The Information Technology category includes the costs related to hardware and software maintenance, help desk support, and other information technology (IT) services. The Information Technology category for the Fiscal Year 2022 Proposed Budget totals \$57.1 million, an increase of \$9.9 million or 21.1 percent from the Fiscal Year 2021 Adopted Budget. This increase is primarily due to the following additions:

\$7.9 million in all departments related to citywide information technology services for cybersecurity, desktop, data center, enterprise GIS, network, and application support resulting from new agreements and changes in service providers;

- \$787,581 in the Police Department for lease cost of ruggedized tablets;
- \$550,000 in the Police Department for upgrade to the current Computer Aided Dispatch (CAD) system;
- \$360,000 in the Environmental Services Department associated with Route Optimization Software Solution; and
- \$320,767 in the Fire-Rescue Department primarily associated with a back-up dispatch center, circuit upgrades, and false alarm system replacement.

Energy and Utilities

The Energy and Utilities category includes the costs of electricity, fuel, gas, and other related expenditures. The Energy and Utilities category for the Fiscal Year 2022 Proposed Budget totals \$50.5 million, a decrease of \$926,326 or 1.8 percent from the Fiscal Year 2021 Adopted Budget. This net decrease is primarily due to revised energy expenditures and a decrease in the wireless communication costs citywide.

General Fund Expenditures

Other

The Other category includes miscellaneous expenditures that do not fall under one of the other expenditure categories. The Fiscal Year 2022 Proposed Budget for the Other category totals \$5.2 million, an increase of \$277,311 or 5.7 percent from the Fiscal Year 2021 Adopted Budget.

This net increase is primarily due to the increase in Citywide expenditures associated to the Supplemental COLA benefit expense as determined by SDCERS.

Transfers Out

The Transfers Out category includes transfers of funding between City funds, including the transfers of funding for annual debt service payments for outstanding bonds. The Transfers Out category for the Fiscal Year 2022 Proposed Budget totals \$88.3 million, an increase of \$45.7 million or 107.4 percent from the Fiscal Year 2021 Adopted Budget. This increase is primarily due to the following:

- \$10.2 million associated with operational support for the San Diego Convention Center Corporation;
- \$10.0 million associated with streets funding for communities of concern;
- \$5.0 million associated with contributions to the Climate Equity Fund;
- \$10.0 million in the Economic Development Department to provide small business grant and loans affected by the COVID-19 pandemic; and
- \$6.7 million in the Citywide Program Expenditures Department associated with the reclassification of lease to own payments for the 101 Ash building into the transfer out category;
- \$5.4 million in the Environmental Services Department for facility improvements associated with the implementation and expansion of organics collection.

Capital Expenditures

The Capital Expenditures category for the Fiscal Year 2022 Proposed Budget totals \$1.7 million an increase of \$228,409 or 15.4 percent from the Fiscal Year 2021 Adopted Budget. This net increase is primarily related to the addition of the pipe repair team in the Stormwater Department.

Debt

Debt category for the Fiscal Year 2022 Proposed Budget totals \$17.2 million, a decrease of \$4.6 million or 21.1 percent from the Fiscal Year 2021 Adopted Budget. This category includes long-term debt service on liabilities such as bonds, loans, and capital lease obligations.

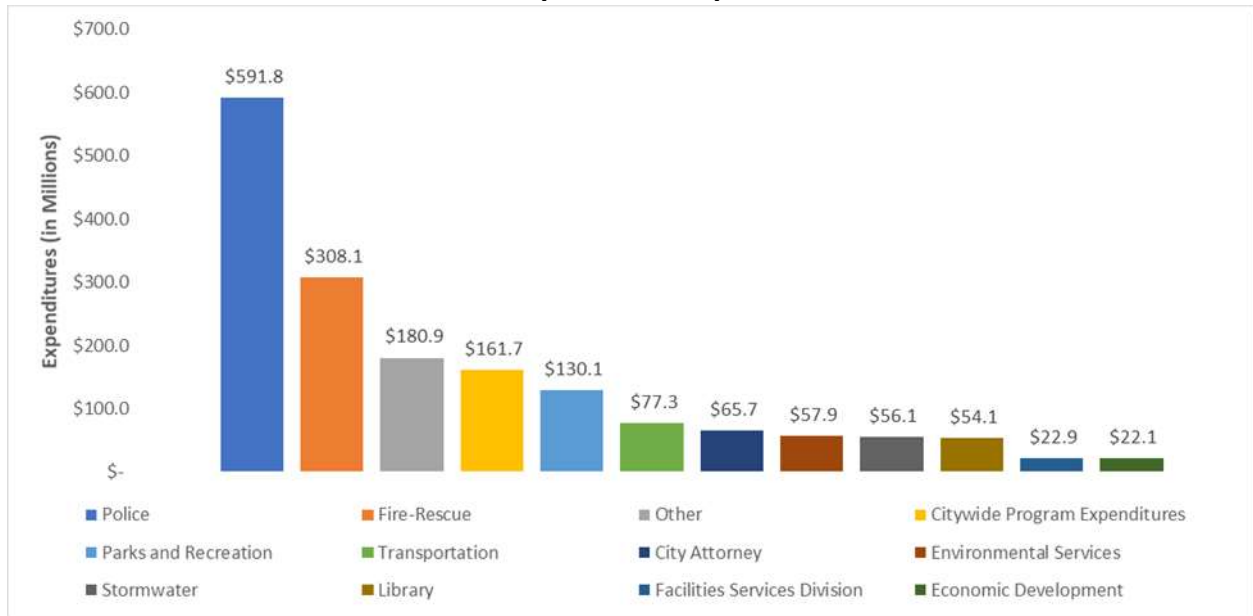
This net decrease is primarily due to a \$6.7 million in the Citywide Program Expenditures Department associated with the reclassification of lease to own payments for the 101 Ash building into the transfer out category. This decrease is offset with a \$2.3 million increase in capital lease obligations associated with the acquisition of public safety radios for the Police and Fire-Rescue Departments.

General Fund Departments

Figure 2 summarizes the Fiscal Year 2022 Proposed General Fund budgeted expenses by department. The ten largest General Fund expenditure budgets by department are displayed individually. All other General Fund departments are combined in the Other category. For a complete review of expenditures by department in the General Fund, refer to the Financial Summary and Schedules section of this Volume.

General Fund Expenditures

**Figure 2: Fiscal Year 2022 Proposed General Fund Expenditures by Department
(in millions)**



Note: The Other category includes: City Auditor, City Clerk, City Council, City Treasurer, Communications, Compliance, Debt Management, Department of Finance, Department of Information Technology, Development Services, Ethics Commission, Government Affairs, Human Resources, Mobility, Office of Boards & Commissions, Office of Homeland Security, Office of Race & Equity, Office of the Chief Operating Officer, Office of the Commission on Police Practices, Office of the IBA, Office of the Mayor, Performance & Analytics, Personnel, Planning, Public Utilities, Purchasing & Contracting, Real Estate Assets, and Sustainability.

Significant Budget Adjustments

The following is a summary of critical expenditures and budget reduction proposals. After incorporating all these expenditure adjustments, the Fiscal Year 2022 Proposed Budget remains balanced.

Critical Expenditures

Back to Work SD

This adjustment includes the addition of \$15.0 million in one-time expenditures associated with the Mayor's Back to Work San Diego Initiative - Equipping San Diegans for a better tomorrow. The Back to Work SD plan includes providing small business loans for the hardest hit industries, providing technical assistance for street vendors, restoring and enhancing the Small Business Enhancement Program, and investing in summer youth programming, all focused within communities of concern. For a breakdown of programs and affected departments please refer to the Citywide Budget Overview Section of this Volume.

City Attorney

City Attorney's Outside Legal Counsel Support

This adjustment includes the addition of \$900,000 for outside legal services that previously resided in the Citywide Program Expenditures Department but was reduced in Fiscal Year 2021. This amount is based on historical spend for outside legal counsel expenses for support on various legal matters that arise throughout the fiscal year.

General Fund Expenditures

Family Justice Center Security Services

This adjustment includes the addition of \$56,600 for non-personnel expenditures for security services at the San Diego Family Justice Center necessary to ensure the safety of staff and visitors.

City Treasurer

Delinquent Accounts and Centralized Payment Processing System

This adjustment includes the addition of \$280,000 in non-personnel expenditures to replace and maintain the new delinquent accounts system, as well as hosting and licensing costs for the City's centralized payment processing system

Citywide Program Expenditures

Sales Tax Consulting Contract

This adjustment includes the addition of \$223,032 in non-personnel expenditures to align with the current annual estimates for sales tax consulting services.

Economic Proposal

This adjustment includes the addition of \$22.1 million in personnel expenditures associated with anticipated compensation increases for City employees subject to ongoing negotiations with the Recognized Employee Organizations.

Climate Equity Fund

This adjustment includes the addition of \$5.0 million one-time transfer for the contribution to the Climate Equity Fund per City Council Resolution 313454.

“Sexy” Streets Funding for Communities of Concern

This adjustment includes the addition of \$10.0 million one-time non-personnel expenditures for the transfer to the Infrastructure Fund for Complete Streets Funding for Communities of Concern. For additional details, please refer to the Citywide Budget Overview Section of this Volume.

Citywide Elections

This adjustment includes the addition of \$505,984 in non-personnel expenditures for anticipated citywide primary elections for Council Districts 2, 4, 6, 8 and two city measures.

Public Liability Fund

This adjustment includes the addition of \$6.8 million of non-personnel expenditures to support the Public Liability Operating Fund for anticipated claim payouts and insurance. Approximately \$2.0 million of this increase is associated with the one-time use of the excess public liability funds for rate relief in Fiscal Year 2021.

Redistricting Commission

This adjustment includes the addition of \$252,517 of one-time expenditures to support the second year of the City's Redistricting Commission approved by the City Council.

Convention Center Corporation Operational Support

This adjustment includes the addition of \$10.2 million of one-time non-personnel expenditures for operational and capital support of the San Diego Convention Center Corporation.

Transfer to the Concourse Parking Garages Operating Fund

General Fund Expenditures

This adjustment includes the addition of \$293,898 to subsidize the Concourse Parking Garages Operating Fund due to a decrease in revenues at the City Concourse resulting from the impact of the COVID-19 Pandemic.

Communications

Addition of Supplemental Positions

This adjustment includes the addition of 4.00 FTE positions and total expenditures of \$493,910 associated with the budgeting of supplemental positions currently filled in the Department. These positions enable the department to produce communications and to increase the department's capacity to communicate sensitive, complex and policy-related City issues to the public, City employees and the media.

City Council Districts

Constituent Relations Management Contract

This adjustment includes the addition of \$135,000 in one-time non-personnel expenditures for the development and licensing of a constituent relations management platform. This platform is needed to ensure proper constituent tracking and services and to provide critical services to the needs of the community.

Department of Finance

Addition of Supplemental Positions

This adjustment includes the addition of 1.00 Principal Accountant to support the External Reporting section and 1.00 Program Coordinator to support negotiations with recognized employee organizations for a total expenditure of \$293,264. This addition will budget these supplemental positions currently filled in the Department.

Invoice Processing Support

This adjustment includes the addition of 2.00 Administrative Aide 2s to conduct a pilot program to centralize invoice processing. The goal of the pilot program is to transfer all invoice processing responsibilities from departments to the Department of Finance and will focus on two vendors that have a large volume of invoices.

Department of Information Technology

General Fund PC Replacement Program

This adjustment includes the addition of \$250,000 in non-personnel expenditures to support the General Fund PC Replacement Program to update General Fund department's computers and support mobile and telework capabilities. These funds are for multi-year lease payments associated with the procurement of General Fund computers

Economic Development

Small Business Ombudsman Program

This adjustment includes the addition of 2.00 Community Development Coordinators and total expenditures of \$251,406 to provide concierge like assistance and ombudsman services for small businesses.

Environmental Services

Addition of Supplemental Positions

General Fund Expenditures

This adjustment includes the addition of 8.00 Code Compliance Officers and total expenditures of \$484,023 associated with Clean SD operations. This addition will budget these supplemental positions currently filled in the Department.

Weekly Residential Refuse Collection Program Overtime

This adjustment includes the addition of \$350,000 of personnel expenditures to align with historical and projected overtime expenditures for the weekly residential refuse collection program.

State Bill 1383 - Organics Collection

This adjustment includes the addition of 53.00 FTE positions and total expenditures of \$7.4 million for the implementation, expansion, and education of organics collection to ensure compliance with State Bill 1383. For additional information on this item please refer to the Citywide Budget Overview Section of this Volume.

Fire-Rescue

Fire-Rescue Upstaffing Related to COVID-19

This adjustment includes the addition of \$1.4 million of one-time personnel and non-personnel expenditures to support an increase emergency medical services and upstaffing to respond to the COVID-19 public health emergency. Funding will also support expenditures related to COVID-19 testing, telemedicine visits, safety supplies and equipment, cleaning/janitorial supplies, and station decontamination services.

False Alarm Systems Replacement

This adjustment includes the addition of \$82,500 non-personnel expenditures and associated revenue for the replacement of the false alarm tracking and billing system.

Cellular Data Expenditures

This adjustment includes the addition of \$384,700 in non-personnel expenditures for cellular phone and data expenditures, which has increased due to additional mobile devices and equipment deployed in recent years.

Circuit Upgrades

This adjustment includes the addition of \$103,234 in non-personnel expenditures for circuit upgrades at various Fire-Rescue sites.

Fire Academies

This adjustment includes the addition of non-personnel expenditures of \$862,558 related to personal protective equipment, uniforms, and training supplies for the two additional Fire Academies. This will bring the total number of Fire Academies to three in Fiscal Year 2022 and are needed to maintain constant staffing levels as well as fill vacant relief pool positions.

Structural PPE Replacement

This adjustment includes the addition of \$291,136 in non-personnel expenditures for the replacement of structural personal protective equipment (PPE). Replacement is needed to address the ongoing need to comply with the National Fire Protection Association (NFPA) standard to replace the PPE every 10 years.

Wellness Contract Increase

This adjustment includes the addition of \$306,849 in non-personnel expenditures related to the contractual increase with San Diego Sports Medicine for firefighter wellness physical exams.

General Fund Expenditures

Exhaust Extraction System Replacement

This adjustment includes the addition of \$180,000 in non-personnel expenditures to replace aging exhaust extraction systems at five priority fire stations necessary to ensure the safety of Fire-Rescue personnel.

Chollas Backup Dispatch Center

This adjustment includes the addition of \$111,033 in non-personnel expenditures for the completion of the Chollas Back-up Dispatch Center.

Assistance to Firefighters Grant Award (AFG)

This adjustment includes the addition of \$170,241 in one-time non-personnel expenditures to fund the City's cost share of the Assistance to Firefighters Grant (AFG) award for Wildland PPE, Wellness athletic equipment, and 47 washing machine/extractors. The AFG grant award is \$1.1 million.

Advanced Lifeguard Academy

This adjustment includes the addition of 3.00 Lifeguard 1-Hourly and total expenditures of \$255,726 for an advanced bi-annual Lifeguard Academy. The ten-week academy provides advanced training in disciplines that include law enforcement, cliff rescue, and water rescue, and includes 15 participants and instructors on an overtime basis.

Homelessness Strategies

Fiscal and Program Support

This adjustment includes the addition of 1.00 Deputy Director and 2.00 Program Managers of \$481,372 to support the Homelessness Strategies Department. These positions are designed to expand capacity in key strategic areas, to increase the City's in-house expertise on homelessness policies, strategies, and solutions, and to implement stronger internal and external partnerships and coordination. Additionally, these positions are in line with the findings and recommendations from the City's homelessness consultant.

Homelessness Programs and Services

This adjustment includes the addition of \$10.0 million of one-time non-personnel expenditures associated with various homelessness programs and services focused on crisis intervention and housing and shelter investments. For additional information on this adjustment please refer to the Citywide Budget Overview Section of this Volume.

Human Resources

Employee Assistance Program Services

This adjustment includes the addition of \$50,000 in non-personnel expenditures to support the new agreement for Employee Assistance Program services.

Human Resources Support

This adjustment includes the addition of 1.00 Program Manager, total expenditure of \$153,702, and associated revenue to provide reimbursable service to the Environmental Service Department. This position is estimated to be fully reimbursed through a service level agreement. The Environmental Services Department has requested a dedicated Program Manager to provide human resource services.

Citywide LinkedIn Training

This adjustment includes the addition of \$150,000 non-personnel expenditure for the Citywide LinkedIn Learning Platform. This platform, initially purchased with CARES Act funding, supports City Employees by providing on-line professional development training. The training greatly enhances the current training offerings offered by the department and offers training opportunities that support a remote workforce.

General Fund Expenditures

Labor Negotiation and Support Services

This adjustment includes the addition of \$385,000 in non-personnel expenditures for as needed consultant services related to all reopeners referenced in the current memoranda of understanding between the City and its six recognized employee organizations.

Addition of Supplemental Positions

This adjustment includes the addition of 2.00 Program Coordinators and total expenditures of \$242,724 to support COVID-19 related operations and comply with annual workforce report audit recommendations. This addition will budget these supplemental positions currently filled in the Department.

Library

Sanitation Services Related to COVID-19

This adjustment includes the addition of \$409,020 in non-personnel expenditures for enhanced and rapid sanitation at thirty-five library branch locations in accordance with the City's COVID-19 sanitation regulations. This sanitation will include maintaining the common areas normally covered under enhanced sanitation and personal areas including telephones, computers, desks, keyboards, chairs and other office equipment.

Library Materials Radio Frequency Identification (RFID) Equipment

This adjustment includes the addition of \$225,000 in non-personnel expenditures to support ongoing maintenance of Radio Frequency Identification (RFID) equipment req. A core circulation services at 36 branch locations.

Addition of Supplemental Position

This adjustment includes the addition of 1.00 Program Manager and total expenditures of \$140,302 to overseeing the fiscal and administrative support of Library Department. This addition will budget this supplemental position currently filled in the Department.

Addition of Deputy Director

This adjustment includes the addition of 1.00 Deputy Director and total expenditures of \$158,292 to support departmental oversight and implementation of initiatives. This position will support better division of duties and increase capacity for management staff.

System-Wide Programming

This adjustment includes the addition of \$200,000 in non-personnel expenditures for equitable system-wide programming. Virtual programming will be created for Sundays and Mondays to mitigate the reduction of hours. This will increase the number of Do Your Homework @ the Library virtual hours and provide the flexibility to invest in new technology and branch services.

Electronic Materials

This adjustment includes the addition of \$750,000 in non-personnel expenditure to support the purchase of electronic materials such as e-books and e-audio books.

Open+ Solution

This adjustment includes the addition of \$100,000 in non-personnel expenditure for the Open+ Pilot which will extend patron access hours. Open+ Pilot will provide morning and evening access to patrons in CD 4,8, and 9 by entering their library card and PIN using a keypad installed at the entrance of the library. This would allow the Library to extend hours for patrons to pick up holds or access computers.

General Fund Expenditures

Training

This adjustment includes the addition of \$37,000 in non-personnel expenditure for professional development opportunities for library staff to provide enhanced programming.

Mobility

Addition of NPE for SMD Public ROW Enforcement

This adjustment includes the addition of \$361,972 in on-going non-personnel expenditures to support contract services for Shared Mobility Device Public Right-Of-Way enforcement. This contract provides services of necessary removal and impounding of devices found in the public right-of-way in support of Ordinance Number 21070, Article 3 adding new Division 3, titled Shared Mobility Devices.

Mobility Action Plan

This adjustment includes the addition of \$120,000 in non-personnel expenditures associated with the Mobility Action Plan.

Office of the Chief Operating Officer

Immigrations Affairs Manager

This adjustment includes the addition of 1.00 Program Manager in the amount of \$115,669 to support immigrant relations and affairs.

Office of the Commission on Police Practices

New Office of the Commission on Police Practices

This adjustment includes the addition of 5.33 FTE positions and total expenditures of \$945,212 to support the creation of the new Office of the Commission on Police Practices in accordance with the approval of Measure B.

Office of Homeland Security

Addition of Executive Director

This adjustment includes the addition of 1.00 Executive Director in the amount of \$152,170 to provide additional oversight and support for the operations of the Office of Homeland Security.

Parks and Recreation

New Facilities

This adjustment includes the addition of 13.90 FTE Positions and total expenditures of \$2.1 million in the Parks and Recreation Department to support new park and pool facilities citywide:

- 1.00 Aquatic Technician 2, 1.00 Equipment Technician 2, 3.00 Grounds Maintenance Worker 2, 2.00 Light Equipment Operator and total expenditures of \$1.2 million to support the expansion, maintenance, and operations of Play All Day Sites and parks.
- 1.92 Ground Maintenance Utility Worker 2s, and total expenditures of \$587,912 to support the expansion, maintenance, and operations of the following new joint use parks: Marie Curie Elementary, Sequoia Elementary, Children's Park, Fairbrook Neighborhood park, La Paz mini park, Johnson Elementary, King Chavez Elementary Charter, and Rolando Park Elementary.
- 0.58 Swimming Pool Manager 2, 0.88 Swimming Pool Manager 1-Hourly, 2.52 Pool Guard 2-Hourly and total expenditures of \$233,322 to support the operations of the Standley Middle School Joint Use Pool.

General Fund Expenditures

Chief Park Ranger

This adjustment includes the addition of 1.00 Program Manager (Chief Ranger) and total expenditures of \$235,315 will liaison with Environmental Services and Police Department to address encampment and abatement activities in open space and parks. Additionally, this position will oversee Park Ranger activities and ensure consistency of training for the Park Ranger program.

Personnel

Addition of Supplemental Position

This adjustment includes the addition of 1.00 Program Coordinator in the amount of \$149,515 to oversee the City's medical and background pre-employment process, added to increase efficiencies with the hiring process components that are within the control of the Personnel Department. This addition will budget this supplemental position currently filled in the Department.

Information Technology Program Coordinator

This adjustment includes the addition of 1.00 Program Coordinator in the amount of \$149,515 to oversee the department's Information Technology Section and lead strategic human capital management efforts through data analytics

Police

Neighborhood Policing Overtime

This adjustment includes the addition of \$4.4 million in overtime expenses to support Neighborhood Policing Division activities. This adjustment reflects the reallocation of overtime budgeted from the Seized Assets Fund in Fiscal Year 2021 into the General Fund. The Neighborhood Policing Division uses overtime work to address community complaints of quality of life issues that negatively impact San Diego's neighborhoods and business districts.

Ruggedized Laptops

This adjustment includes the addition of \$787,581 in non-personnel expenditures associated with the ongoing lease of ruggedized laptops and related equipment repairs not covered under warranty.

Computer Aided Dispatch (CAD)

This adjustment includes the addition of \$550,000 in non-personnel expenditures associated with enhancements of the Computer Aided Dispatch (CAD) system and to ensure compliance with the renewed contract agreement.

Real Estate Assets

Support for Facilities

This adjustment includes the addition of \$492,000 in non-personnel expenditures to support facilities that provide homelessness services. Support for these facilities include building repair and maintenance, utilities, and other as needed services.

Consulting Services

This adjustment includes the addition of \$112,475 in one-time non-personnel expenditures for consulting services relating to Sports Arena development and lease negotiations.

Program Coordinator

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This adjustment includes the addition of 1.00 Program Coordinator in the amount of \$111,110 to provide property management services for City facilities currently used to provide services to individuals experiencing homelessness.

Stormwater

Stormwater Funding Strategy

This adjustment includes the addition of \$2.5 million of one-time non-personnel expenditures to continue development of the stormwater funding strategy.

Stormwater Pipe Repair Team

This adjustment includes the addition of 25.00 FTE positions, expenditures of \$2.4 million, and associated revenue of \$1.7 million to support a second storm drain pipe repair team. This request is needed to ensure the storm drain repair team can perform 25 storm drain repairs per year and assist in meeting audit recommendations.

Bacteria Assessment Study

This adjustment includes the addition of \$500,000 of non-personnel expenditures to support various bacteria-related projects in compliance with the Stormwater Permit and the San Diego River Investigative Order, R9-2019-0014.

Bacteria Sources Identification and Abatement

This adjustment includes the addition of 6.00 FTE and total expenditures of \$441,127 to expand the Human Bacteria Source Investigation team to three full-time teams with a focus on areas of San Diego watersheds for Bacteria Total Maximum Daily Load (TMDL) compliance.

San Diego River Investigative Order

This adjustment includes the addition of \$415,000 of non-personnel expenditures to support the San Diego River Investigative Order R9-2019-0014. This order directs the City of San Diego and other agencies to submit Technical Pathways of Human Fecal Material to the Lower San Diego River Watershed. These costs reflect the City's portion of the estimated costs for implementation of the Work Plan.

Enforcement of Street Sweeping Routes

This adjustment includes the addition of 2.00 Parking Enforcement Officer I's, non-personnel expenditures of \$330,163, and associated revenue of \$400,000 to support enforcement and posting of up to four existing routes of street sweeping routes.

Dig Alert Requirements

This adjustment includes the addition of 1.00 Public Works Supervisor, 4.00 Utility Worker 2s, and non-personnel expenditures in the amount of \$319,015 to support State-Mandated Dig Alert activities. This additional support is needed to manage and maintain dig alert tickets per State-mandate effective January 1, 2021.

Alternative Compliance Program

This adjustment includes the addition of \$300,000 in one-time non-personnel expenditures to support the City's Offsite Stormwater Alternative Compliance Program. This addition will support specific tasks related to the City's Offsite Stormwater Alternative Compliance Program.

Integrated Planning Framework

This adjustment includes the addition of \$250,000 in one-time non-personnel expenditures to support the Integrated Planning Framework associated with technical updates to the City's six Water Quality

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Improvement Plans (WQIP) and Jurisdictional Runoff Management Plan (JRMP) to meet the requirements of the next Storm Water Permit that will be reissued in Fiscal Year 2022.

Discharge Investigation and Patrols

This adjustment includes the addition of 1.00 Code Compliance Officer in the amount of \$60,502 and revenue of \$20,000 to support the Water Quality Improvement Plan to address human waste-related bacteria source identification field investigations.

Word Processing Operator

This adjustment includes the addition of 0.50 Word Processing Operator in the amount of \$34,315 to support the Stormwater Enforcement team by mailing out notices of violation and citations.

Transportation

Dig Alert Requirements

This adjustment includes the addition of 2.00 Electricians and 2.00 Traffic Signal Technicians for a total amount of \$288,752 to support State-mandated Dig Alert activities. This additional support is needed to manage and maintain dig alert tickets per State-mandate effective January 1, 2021.

Street Damage Fee Transfer

This adjustment includes the addition of \$200,000 for the transfer to the Trench Cut Fees/Excavation Fees fund to support street repairs. The transfer is based on SDGE's annual Street Damage Fees (SDFs) associated with the trenching they performed in Fiscal Year 2021 deposited in the General Fund.

Code Compliance Supervisor

This adjustment includes the addition of 0.25 Code Compliance Supervisor in the amount of \$29,267 for ongoing support vegetation and graffiti code compliance activities within the City's right-of-way. The code compliance team is in the field responding to over 7,500 vegetation and graffiti requests for abatement each year.

Budget Reduction Proposals

In order to balance the General Fund and mitigate the impact from the COVID-19 pandemic, a total of \$15 million in operating expenditure reductions were included in the Fiscal Year 2022 Proposed Budget.

Citywide Reductions

Equipment Rate Reduction

This adjustment includes the reduction of \$680,000 in non-personnel expenditures associated with a reduction for equipment rentals that are operated by the Fleet Operations Department.

Office of the Chief Operating Officer

Reduction in Executive Management Positions

This adjustment includes the reduction of 1.00 Assistant Chief Operating Officer and 1.00 Deputy Chief Operating Officer and \$783,784 in expenditures in executive management associated with a restructure of operations and changes in organizational management.

Economic Development

Small Business Enhancement Program Funding

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This adjustment includes the addition of \$200,000 in revenue from the Small Business Enhancement Fund in lieu of expenditures reduction to support special projects related to small businesses and support ongoing operations.

Environmental Services

Reduction of Contracts Services

This adjustment includes the reduction of \$877,754 of non-personnel expenditures associated with anticipated efficiencies in the required labor crews to sanitize sidewalks, conduct waste abatement and remove illegal dumping and litter throughout the City.

Library

Re-organization of Library Hours

This adjustment includes the reduction of 100.92 FTE positions and total expenditures of \$ 6.9 million to reduce Central Library and Branch Libraries from 55 to 42.5 hours per week. This reduction is done in three phases:

- Reduce the 2nd-shift at the Central Library to align Library hours of operations with all other branches citywide;
- Reduce Sunday hours at 13 branch libraries; and
- Establish a consistent library schedule citywide to open from Tuesday through Saturday by reducing Monday library hours at 36 locations.

This service impact is offset with an increase in Library e-materials and equity focused virtual and expanded program.

Mobility

Revised Revenue Adjustment

This adjustment includes the increase of \$325,000 in revenue in lieu of expenditure reductions associated with the SANDAG Co-operative Agreement to reimburse staff costs and revenues related to Small Mobility Devise related impound and storage fees.

Planning

Revised Revenue Adjustment

This adjustment includes the addition of \$606,540 in revenues in lieu of expenditure reductions, associated with the General Plan Maintenance Fund and Facilities Financing Fund that will support work program initiatives including the Development Impact Fees (DIF) rebuild.

Police

Reduction of Clean SD Overtime

This adjustment includes the reduction of \$1.0 million in overtime expenditures associated with Clean SD. The reduction will equate to approximately 12 fewer police officers per day working to abate abandoned property and conduct litter removal, as well as maintain areas that have been cleaned throughout our City. Police officers are a critical component of the Clean SD program because they provide the security needed for cleaning crews to abate abandoned property and remove litter in unsafe areas.

Reduction in Neighborhood Policing Overtime

This adjustment includes the reduction \$1.0 million in overtime expenditures associated to police officers that prioritize and address community complaints of quality of life issues that impact San Diego's neighborhoods and business districts; provide presence at city provided homeless shelters and storage

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facilities as dictated by the original agreement with surrounding communities; and provide extra outreach services via the Homeless Outreach Team.

Reduction in Extension of Shift Overtime

This adjustment includes the reduction of \$2.0 million in overtime expenditures associated to extension of shift. This reduction will be realized through enhanced oversight that will ensure extension of shift overtime is only approved when necessary. However, in the case of major events that may negatively affect the City's strategic objective of safe and livable neighborhoods, the department will respond in a manner expected from the public which may require extension of shift overtime.

One-Time Resources and Uses

Fiscal Year 2022 Proposed Budget includes \$155.7 million in one-time resources as displayed in **Table 5**.

Table 5: Fiscal Year 2022 One-Time Resources

One-Time Resources	Amount
American Rescue Plan Act	141,331,263
Monsanto Class Action Settlement	9,000,000
Use of Pension Payment Stabilization Reserve	7,946,900
Transfer from Emergency Medical Services Fund	1,521,712
Transfer from the Stadium Fund	1,137,218
FEMA Funding - Emergency Protective Measures	1,093,258
Transfer from the Civil Penalty Fund to Support Code Enforcement	619,083
Environmental Growth Fund Reimbursements	614,318
Transfer from Public Safety Services and Debt Service Fund	608,640
New Emergency Medical Service Provider	443,718
Transfer from the Small Business Enhancement Program Fund	200,000
False Alarm Systems Replacement	82,500
Licensing/Inspections Reconciliation Software	24,000
COVID-19 Revised Revenue - Passport Fees	(50,000)
COVID-19 Revised Revenue - Collection Referral Fee	(500,000)
COVID-19 Revised Revenue - Inspection Services	(1,553,591)
COVID-19 Revised Revenues - Collection Referral Fee Revised Revenue	(500,000)
Total	\$ 155,723,254

This compares to approximately \$64.1 million in one-time uses as displayed in **Table 6**. The information shown in the table below reflects that there are \$91.7 million less in one-time uses than one-time resources being utilized. In keeping with best practices in governmental budgeting, the City has a policy of supporting ongoing expenditures with ongoing revenues. However, given the sharp decline in on-going revenues associated with the COVID-19 pandemic, the City used a significant amount of one-time resources and American Rescue Plan Act funds to balance the Proposed Budget to maintain core services. These one-time revenues include \$141.3 million in American Rescue Plan relief funds which are allowed to be used as revenue replacement to provide government services.

The City believes that, as the pandemic subsides and the economy recovers, on-going revenue will return to more normal levels, narrowing this gap. The City will continue to monitor revenues during Fiscal Year 2022 and will continue to address any structural shortfalls during next year's budget process.

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Table 6: Fiscal Year 2022 One-Time Uses

One-Time Uses	Amount
Support for San Diego Convention Center Corporation Operations	10,196,440
"Sexy" Streets Funding for Communities of Concern	10,000,000
Homelessness Programs Funding	10,000,000
Back to Work SD - Small Business Relief Funds	10,000,000
State Bill 1383 - Facility Upgrades	5,726,498
Transfer to the Climate Equity Fund	4,965,178
Back to Work SD – Youth Programming	4,249,881
Stormwater Funding Strategy	2,500,000
New Joint Use Facilities	883,500
Back to Work SD - Connect2Careers	750,000
COVID-19 Public Safety Expenditures	1,012,276
Computer Aided Dispatch (CAD) Upgrade	500,000
Storm Drain Pipe Repair	500,000
Stormwater Alternative Compliance Program	300,000
Transfer to the Concourse and Parking Garages Operating Fund	293,898
Redistricting Commission	252,517
Stormwater Integrated Planning Framework	250,000
Route Optimization Solution Software	210,000
Enforcement of Street Sweeping Routes	200,000
Replacement of the Exhaust Extraction System	180,000
Assistance to Firefighters Grant (AFG) City Cost Share	170,241
Constituent Relations Management Contract	135,000
New Office of the Commission on Police Practices	130,304
Advanced Lifeguard Academy	118,637
Consulting Services for the Sports Arena Development	112,475
Delinquent Accounts and Cashiering System	105,396
Acquisition of Vehicles for the Ranger Program	83,000
False Alarms System Upgrade	82,500
Non-Personnel Expenditures for the Chollas Backup Dispatch Center	65,033
Building Repair and Maintenance for Facilities that provide Homeless Services	50,000
Licensing/Inspections Reconciliation Software	24,000
State Mandated Dig Alert	14,720
Total	\$64,061,494

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